

Flathead and Gallatin National Forests -- Oil and Gas Leasing History

1981: Under then Secretary of Interior James Watt and Secretary of Agriculture John Block, the USFS issued Environmental Assessments (EAs) recommending a total of 1.3 million acres in both forests be leased for oil and gas development.

1981: Based on the EAs, the Forest Service issued Decision Notices and Findings of No Significant Impact (FONSI) concluding the mere sale of oil and gas leases would have no significant impact on the human environment. The issuance of the FONSI obviated the need for Environmental Impact Statements (EISs) at the lease sale phase.

1981: Administrative appeals were rejected.

1982-1984: The BLM sold over 700 leases for oil and gas exploration, development, and production on 1.35 million acres within the 2 forests.

1985: Lawsuit (Conner v Burford) filed against BLM in federal district court in Montana, challenging that the leases violated of the National Environmental Policy Act (NEPA) and the Endangered Species Act (ESA).

1985: The Montana federal district court ruled in favor of the plaintiffs, and ordered all agency actions allowing the issuance of the oil and gas leases on the Flathead and Gallatin National Forests set aside. The court also enjoined the government from issuing or recommending any more leases until it complied with NEPA and the ESA.

1985: The Bureau of Land Management suspended the leases in response to the court order.

1986: Defendants submitted appeal in the Ninth Circuit Court of Appeals. A number of oil industry and other interests were allowed to intervene.

1988: The Ninth Circuit Court of Appeals held that the federal agencies violated NEPA by issuing non-surface occupancy leases without an EIS, and violated the ESA by making lease sales without preparing a proper biological opinion. The agencies were enjoined from allowing any surface-disturbing activity on the lands already leased and from selling any more leases until the agencies complied with NEPA and the ESA.

Present Day: The leases in question have between seven and nine years left before they expire. Because of the previous suspension, no fees are charged for the leases.